



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 8, 2000

RQ-3

Donna M. Anderson, Treasurer
National Republican Congressional
Committee - Expenditures
320 First Street
Washington, DC 20003

Identification Number: C00075820

Reference: Amended December Monthly (11/1/99-11/30/99), dated March 28, 2000,
Year End (12/1/99-12/31/99), and February Monthly (1/1/00-1/31/00)
Reports

Dear Ms. Anderson:

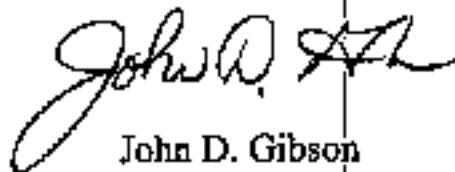
This letter is to inform you that as of June 7, 2000 the Commission has not received your response to our requests for additional information dated May 17, 2000. These notices request information essential to full public disclosure of your federal election campaign finances. To ensure compliance with the provisions of the Federal Election Campaign Act (the Act), please respond to these requests (copies enclosed).

The Commission is in receipt of your May Monthly Report dated May 19, 2000; however, it does not address the matters in the letter referenced above. An adequate response must be received at the Commission by June 28, 2000. Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. **Requests for extensions of time in which to respond will not be considered.** Failure to provide an adequate response by this date may result in an audit of the committee. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action.

If you should have any questions regarding this matter, please contact Andrea Wilkens on our toll-free number (800) 424-9530 (at the prompt press 1, then press 2 to

reach the Reports Analysis Division) or our local number (202) 694-1130.

Sincerely,

A handwritten signature in cursive script, appearing to read "John D. Gibson".

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosures



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Donna M. Anderson, Treasurer
National Republican Congressional
Committee - Expenditures
320 First Street
Washington, DC 20003

Identification Number: C00075820

MAY 17 2000

Reference: February Monthly Report (1/1/00-7/31/00)

Dear Ms. Anderson:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-The event year-to-date totals for 313-326, 313-325-318, 313-350, administration, and 313-328 are incorrect on Schedule H4. This appears to result from the omission of the corporate in-kind contribution amounts from the event year-to-date totals. The in-kind contributions should be included in the totals for the appropriate event(s) (see enclosed pages from the Campaign Guide for Political Party Committees). Please amend these reports and any subsequent reports to clarify the event year-to-date totals.

-Schedule H4 discloses disbursements for 313-328 and 313-325-324 which are categorized as fundraising activities; however, Schedule H2 does not include the allocation ratios for these activities. Please amend Schedule H2 to disclose the omitted ratios.

-Your report indicates that you have received corporate in-kind contributions during this reporting period; however, you have failed to properly disclose the original receipt and disbursement of these in-kinds by your non-federal account(s). Please refer to the following reporting requirements for National Committees:

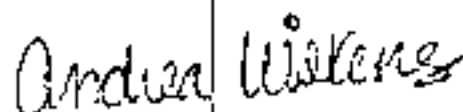
In accordance with 11 CFR 104.8(e) a National Party Committee shall disclose in a memo Schedule A, information about each individual,

committee, corporation, labor organization, or other entity that donates in excess of \$200 in a calendar year to the committee's non-federal account(s). Furthermore, in accordance with 11 CFR 104.9(c), a National Party Committee shall report in a memo Schedule B the full name and mailing address of each person to whom a disbursement in an aggregate year is made from the committee's non-federal account(s), together with the date, amount and purpose of each disbursement.

You should amend this report to fully disclose the corporate in-kind contributions by your non-federal account(s).

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,



Andrea Wilkens
Senior Reports Analyst
Reports Analysis Division

"Disbursement" of In-Kind Donation (H4)

Like in-kind contributions, in-kind donations must be reported as both receipts and disbursements so as not to inflate the cash-on-hand balance. (The disbursement side reflects the use or "expenditure" of the resources.) Schedule H4 is used for the disbursement entry, which shows the \$5,000 in-kind donation as a 100 percent nonfederal disbursement. The donor's name and address is disclosed in the box generally used for payees.

Transfer from Federal Account (H4)

The second entry on Schedule H4 shows the contemporaneous transfer of \$2,500 (the federal share of the donation) from the federal account to the nonfederal account. The explanation of the transfer is described in the "Purpose" box, with a reference to the previous entry.

Alternative Reporting Method

To minimize entries and avoid duplication, a committee may use alternative methods to report transactions relating to in-kind donations.

The committee may use one entry on Schedule H3 to show the receipt of all in-kind donations made within the same reporting period for a particular fundraising program or event (or administrative activity).

The committee may also use one entry on Schedule H4 to show total federal payments (transfers) made on the same day for the federal share of in-kind donations.

Example

A committee receives two in-kind donations from prohibited sources for a mixed federal/nonfederal fundraising event, "July Fundraiser":

- Invitations donated by XYZ Printers, Inc. (value: \$3,000) received on July 1; and
- Balloons donated by ABC Balloons, Inc. (value: \$1,000) received on July 15.

The fundraising ratio for "July Fundraiser" is 50 percent federal, 50 percent nonfederal. The federal account transfers its \$2,000 share of the two donations on July 1.

DISBURSEMENT OF IN-KIND DONATION; FEDERAL TRANSFER (H4)

DISBURSEMENT SCHEDULE H4 (Federal/Non-Federal)		JOINT FEDERAL/NON-FEDERAL ACTIVITY SCHEDULE		PAGE 1 OF 1 FOR LINE 21a	
NAME OF COMMITTEE State Party Committee					
A. FULL NAME, MAILING ADDRESS & ZIP CODE Flowers by Fader, Inc. 500 Main Highway City, State ZIP		PURPOSE/VIEW Flowers for Chairman's Gala		DATE 10/1/96	TOTAL AMOUNT \$5,000.00 In-kind
B. PAYEE NAME, MAILING ADDRESS & ZIP CODE State Party Committee/ Nonfederal Account 445 Democracy Blvd. City, State ZIP		PURPOSE/VIEW Transfer of federal share (see above)		DATE 10/1/96	TOTAL AMOUNT \$2,500.00 Federal share
C. EXPLANATION Disbursement of \$5,000 in-kind donation to nonfederal account. Federal share of \$2,500 transferred to nonfederal account.		D. EXPLANATION Transfer of federal share of \$2,500 to nonfederal account.		E. EXPLANATION Total amount of \$5,000 in-kind donation.	

The first entry shows the "disbursement" of the \$5,000 in-kind donation by the nonfederal account. The second entry shows the federal account's transfer of its share of the donation (50 percent or \$2,500) to the nonfederal account.

Schedule H3—Receipt of In-Kind Donations

The committee uses one entry on Schedule H3 to show the total in-kind donations for "July Fundraiser" received during the reporting period. The "date of receipt" shows the period during which the committee received the contributions. The "July Fundraiser" entry cross references the Schedule H4 entries showing the "disbursement" of the donations and the identity of the contributors.

RECEIPT OF IN-KIND DONATIONS (H3)

NAME OF ACCOUNT Nonfederal Account		DATE OF RECEIPT 7/1-7/15/96		TOTAL AMOUNT \$4,000.00	
		BREAKDOWN OF TRANSFER RECEIVED			
		ADMIN. VETER DATE AMOUNT	DIRECT FUND- RAISING AMOUNT	IDENTIFY ACTIVITY/DIRECT CONTRIBUTOR	
1. Total Administrative/Other					
2. Direct Fundraising (Total Direct Amount in Box)					
a. JULY FUNDRAISER			\$4,000.00		
b. See H4, p. 1, entries A and B					
c.					
d.					

The \$4,000 in-kind transfer represents a \$3,000 donation received on July 1 and a \$1,000 donation received on July 15. The entry notes the Schedule H4 entries where information on the donations is available.

Schedule H4—"Disbursement" of Donations; Federal Transfer
Schedule H4 shows the "disbursement" of the two in-kind donations by the nonfederal account, each entry identifying the donor and the dates the donations were received.

The third entry shows the federal account's payment for its 50 percent share of the two donations and the date of the transfer to the nonfederal account. The entry refers to the previous two entries to show the transfer relates to those transactions.

"Escrow" Transfer

Advance transfers from the federal account to the nonfederal account to pay the federal share of anticipated in-kind donations are reported on Schedule H3. If known, the particular activity (fundraising program/event or administrative) to which the transfer applies should be noted. If the corresponding in-kind donations are received in a later reporting period, it is understood that the Schedule H3 entry will not be able to list the related Schedule H4 donor entries (showing the nonfederal "disbursement" of the donations).

DISBURSEMENT OF IN-KIND DONATIONS; FEDERAL TRANSFER (H4)

DISBURSEMENT SCHEDULE H4 (Section 17.01)		JOINT FEDERAL/NON-FEDERAL ACTIVITY SCHEDULE		PAGE 1 OF 1 FOR LINE 27a	
NAME OF CONTRIBUTOR State Party Committee					
A. FULL NAME, MAILING ADDRESS & ZIP CODE XYZ Printing Incorporated 8100 Pine Street City, State ZIP	PURPOSE/EVENT Invitations for July Fundraiser	DATE 7/1/98	TOTAL AMOUNT \$3,000.00 in-kind	FEDERAL SHARE 0	NON-FEDERAL SHARE \$3,000.00
CATEGORY: <input type="checkbox"/> ADMINISTRATIVE/OTHER DUES <input checked="" type="checkbox"/> FUNDRAISING <input type="checkbox"/> DIRECT CANDIDATE SUPPORT EVENT YEAR/DATE: 18,000.00					
A. FULL NAME, MAILING ADDRESS & ZIP CODE Ballonnet Inc. 287 Oak Street City, State ZIP	PURPOSE/EVENT Ballonnet for July Fundraiser	DATE 7/18/98	TOTAL AMOUNT \$1,000.00 in-kind	FEDERAL SHARE 0	NON-FEDERAL SHARE \$1,000.00
CATEGORY: <input type="checkbox"/> ADMINISTRATIVE/OTHER DUES <input checked="" type="checkbox"/> FUNDRAISING <input type="checkbox"/> DIRECT CANDIDATE SUPPORT EVENT YEAR/DATE: 18,000.00					
A. FULL NAME, MAILING ADDRESS & ZIP CODE State Party Committee/ Nonfederal Account 445 Democracy Blvd. City, State ZIP	PURPOSE/EVENT Transfer of federal share (see A and B above)	DATE 7/1/98	TOTAL AMOUNT \$2,000.00	FEDERAL SHARE \$2,000.00	NON-FEDERAL SHARE 0
CATEGORY: <input type="checkbox"/> ADMINISTRATIVE/OTHER DUES <input type="checkbox"/> FUNDRAISING <input checked="" type="checkbox"/> DIRECT CANDIDATE SUPPORT EVENT YEAR/DATE: 2					

The first two entries on this schedule provide information on the in-kind donations received and "disbursed" by the nonfederal account. The third entry shows that the federal account's 50 percent share of the donations was transferred to the nonfederal account on July 1. The entry cross references the related entries.

